

## **BILL ANALYSIS**

Senate Research Center  
82R168 JD-D

S.B. 129  
By: Patrick  
Finance  
3/16/2011  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 129 seeks to lower appraisal increases on homestead properties. The appraisal of homestead residential properties increase by as much as 10 percent every year in spite of decreasing market values. S.B. 129 lowers the appraisal increase cap on homestead residential property from 10 percent every year to five percent.

As proposed, S.B. 129 amends current law relating to the limitation on increases in the appraised value of a residence homestead for ad valorem taxation.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 23.23(a), Tax Code, to authorize an appraisal office to increase the appraised value of a residence homestead for a tax year to an amount not to exceed five percent, rather than 10 percent, of the appraised value of the property for the preceding year.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: January 1, 2012, contingent upon approval by the voters of the constitutional amendment proposed by the 82nd Legislature, Regular Session, 2011, authorizing the legislature to set a lower limit on the maximum appraised value of a residence homestead for ad valorem taxation.